

**City****ester**

Neighborhood and Business Development  
Commissioner  
City Hall Room 223B, 30 Church Street  
Rochester, New York 14614  
www.cityofrochester.gov



**R. Carlos Carballada**  
Commissioner

March 4, 2010

Nancy A. Peacock, Director  
Community Planning and Development Division  
U.S. Department of Housing and Urban Development  
Buffalo Office  
465 Main Street  
Buffalo, New York 14203

Dear Ms. Peacock:

**SUBJECT: 2008 Annual Community Assessment**

This is in response to your letter, dated February 22, 2010, concerning the Annual Community Assessment (ACA) for the City of Rochester. Following are our comments.

**Program Progress and Timeliness**

The Community Development Block Grant program requires that the City's unexpended CDBG funds be no more than 1.5 times our annual grant 60-days before the end of the program year. As shown on the table below, our timeliness ratio has been increasing.

Program Year	Ratio
2006	1.12
2007	1.31
2008	1.47

In an effort to create awareness of this issue, we have re-issued our policy on CDBG Timeliness of Expenditures.

**HUD Monitoring**

The Buffalo Field Office conducted an on-site monitoring review of Community Development Block Grant on May 11-14, 2009. The following table provides an indication of the areas reviewed and the results.



Area	Result
CDBG Overall Management	No Findings
CDBG Financial Management	Two Findings
Civil Rights Related Program Requirements	No Findings

We are requesting that the ACA be updated to reflect that the Department has taken corrective actions and the findings were closed on February 5, 2010.

**HOME Program Snapshot Worksheet**

The HOME Program Snapshot Worksheet – Red Flag Indicators Report indicates that the City has red flag indicators for percent of renters below 50 percent of area median income and percent of occupied rental units to all rental units.

The Department has addressed this issue by requesting household data to be submitted along with the annual HOME Rent and Occupancy Report. The household data will be entered into IDIS where necessary.

I want to thank you and your staff for the technical assistance that you provided our program and look forward to working with you and your team in the future.

Sincerely,



R. Carlos Carballada  
Commissioner

cc: J. Mustico  
B. Garwood

**DEPARTMENT OF NEIGHBORHOOD AND BUSINESS DEVELOPMENT  
OFFICE OF THE COMMISSIONER  
TIMELINESS OF EXPENDITURES**

It is important that Community Development Block Grant funds be expended in a timely manner. We are reviewed for compliance with the timeliness test on an annual basis.

Sixty (60) days prior to the end of a grantee's program year, the amount of non-disbursed CDBG funds cannot be more than 1.5 times the entitlement grant for its current program year. The Office of the Commissioner reviews the PR56 IDIS timeliness report to monitor compliance

The following guidance is provided to assist program managers in spending funds in a timely manner.

1. Timeliness should be considered when determining CDBG funded activities.
2. Select CDBG funded activities that can be initiated within 6-12 months of the beginning of the grant year, and completed with 12-18 months of the start date.
3. All CDBG funded activities should have a project timeline or schedule for project milestones to monitor and measure activity performance.
4. All CDBG funded activities should have clear objectives and measurable results.
5. Monitoring and reviewing financial management of CDBG funded activities is an ongoing task.
6. Identify and minimize delays in implementation of activities, or phase projects over several years to reduce delays.
7. Conduct environmental assessments and reviews before distribution of CDBG grant funds to ensure timely implementation of activities.
8. Establish alternate activities or plans of action for activities to manage delays.

9. Identify and mitigate problems or issues early on to avoid delays in timeliness of expenditures.



*Mustico*

U.S. Department of Housing and Urban Development  
Buffalo Office  
465 Main Street  
Buffalo, New York 14203-1780  
(716) 551-5755

**FEB 22 2010**

Mr. R. Carlos Carballada  
Commissioner, Department of Neighborhood  
and Business Development  
City of Rochester  
City Hall Room 223B  
30 Church Street  
Rochester, NY 14614-1290

Dear Mr. Carballada:

SUBJECT: 2008 Annual Community Assessment

Enclosed please find HUD's Annual Community Assessment (ACA) for the City of Rochester, New York. While continuing efforts are taken into consideration, this assessment was based primarily on the 2008 program year, which covered the period of July 1, 2008 to June 30, 2009.

We offer you the opportunity to respond within 30 days with any comments or updates. If no response is received, this report is final and will be considered the City's Program Year Review Letter as required by HUD regulation. Consistent with the Consolidated Plan regulations, the Program Year Review Letter should be made available to the public through your established citizen participation process. HUD will also make it available to citizens upon request.

If you have any questions about this matter, please contact Alex J. Vilardo, CPD Representative, at 716-551-5755, extension 5831.

Sincerely,

A large, stylized handwritten signature in black ink, which appears to read "Nancy A. Peacock".

Nancy A. Peacock  
Director  
Community Planning and  
Development Division

Enclosure

cc: Mary Kay Kenrick  
✓ Joe Mustico

### Recommendations/Areas for Improvement

The HOME Program Snapshot Worksheet – Red Flag Indicators Report indicates that the City has red flag indicators for percent of renters below 50 percent of area median income and percent of occupied rental units to all rental units. It is recommended that the City review this report and update data in IDIS where necessary. There are no other recommendations, or areas for improvement, noted at this time. The City has the continuing capacity to carry out their HOME and ADDI programs.

### **Emergency Shelter Grant (ESG)**

#### Summary of Performance Indicators and Accomplishments

*Activities:* The City does not provide shelter or services directly. The City uses a request for proposal process to solicit projects that receive funds. During the program year, ESG activities were adequately described and funds were spent according to program rules. The following highlights activities and accomplishments that were completed during the program year:

Emergency Shelters and Services: The City spent \$412,972.00 funding 29 agencies.

*Beneficiary Compliance:* The ESG program is designed to provide shelter and support services to homeless persons. Of the 29 projects funded during the 2008 program year, 17 exceeded their service target. Overall, the City expected to serve 12,034 persons and the actual number served was 60,653.

*Commitments and Disbursements:* The ESG program requires that funds be committed within two years, and disbursed within five years. It was determined that the City is committing funds and making disbursements for activities within the required timeframes, including commitments and disbursements for administration. Program progress was determined to be satisfactory

*Fair Housing and Equal Opportunity:* Our review did not reveal any significant issues related to compliance. Performance was satisfactory.

### Financial

The financial information provided by the City appears to be complete, accurate, and with a sufficient level of detail to document the overall financial condition of the ESG program. During the program year, the City was current with required audits. Our review did not reveal any significant issues related to overall financial compliance.

### Management

The City has experienced staff that is capable of administering and overseeing their ESG program activities. There have not been any key staff vacancies or new hires during the

reporting period. The City reports that they regularly monitor and evaluate the agencies that provide ESG services.

#### Recommendations/Areas for Improvement

There are no recommendations or areas for improvement noted at this time. The City has the continuing capacity to carry out their ESG program.

### **Housing Opportunities for Persons with AIDS (HOPWA)**

#### Summary of Performance Indicators and Accomplishments

*Activities:* During the program year, HOPWA activities were adequately described and funds were spent according to program rules. The following highlights activities and accomplishments that were completed during the program year:

AIDS Rochester: The City spent \$384,900.00.

Catholic Charities: The City spent \$235,900.00.

*Beneficiary Compliance:* The HOPWA program is designed to provide housing for persons with AIDS. During the reporting period, the City expected to serve 230 persons and their families and the actual number served was 208.

*Commitments and Disbursements:* The HOPWA program requires that funds be committed within two years, and disbursed within five years. It was determined that the City is committing funds and making disbursements for activities within the required timeframes, including commitments and disbursements for administration. Program progress was determined to be satisfactory.

*Fair Housing and Equal Opportunity:* Our review did not reveal any significant issues related to compliance. Performance was satisfactory.

#### Financial

The financial information provided by the City appears to be complete, accurate, and with a sufficient level of detail to document the overall financial condition of the HOPWA program. During the program year, the City was current with required audits. Our review did not reveal any significant issues related to overall financial compliance.

#### Management

The City has experienced staff that is capable of administering and overseeing their HOPWA program activities. There have not been any key staff vacancies or new hires during the

reporting period. The City reports that they regularly monitor and evaluate the agencies that provide HOPWA services.

Recommendations/Areas for Improvement

There are no recommendations or areas for improvement noted at this time. The City has the continuing capacity to carry out their HOPWA program.

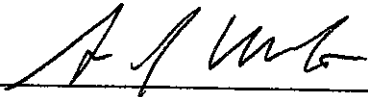
**Community Development Block Grant Recovery Act (CDBG-R), and  
Homeless Prevention and Rapid Re-housing Program (HPRP)**

The City was allocated funds under the American Recovery and Reinvestment Act of 2009. In order to apply for these funds, the City was required to identify project activities and amend their 2008 Annual Action Plan. The City successfully completed the amendment process and was subsequently awarded funds, as follows:

CDBG-R:	\$2,585,159.00
HPRP:	\$3,954,235.00

During the City's 2008 program year reporting period, no activities were started and funds had not yet been expended by the City for these Recovery Act programs. An analysis of the City's performance and accomplishments for CDBG-R and HPRP will be forthcoming in the next Annual Community Assessment report issued by HUD for the 2009 program year.

This report was prepared by: \_\_\_\_\_

  
Alex J. Vilardo, CPD Representative

The City has the opportunity to respond within 30-days concerning the information contained in this report. The response should be made in writing to: Buffalo HUD Office, Director of Community Planning and Development, 465 Main Street, Buffalo, NY, 14203. The response should identify any areas of disagreement, including updates and corrections, or any additional comments you would like HUD to consider.

If no response is received, this report is final and will be considered the City's Program Year Review Letter as required by HUD regulation. Consistent with the Consolidated Plan regulations, the Program Year Review Letter should be made available to the public through the City's established citizen participation process. HUD will also make it available to citizens upon request.